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Application Number 09/504,343

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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE BOARD OF PATENT APPEALS AND INTERFERENCES

In re application of: Brent C. Parent et al.

Serial No.: 09/504,343 Group Art Unit: 3621

Filed: 02/14/2000 Examiner: HEWITT II, Calvin L.

For: SYSTEM AND METHOD FOR VIRTUAL RENTAL FLEET

Attorney Docket No.: 65678-0011

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Date: April 23, 2004

Jennifer S. Greer

REPLY BRIEF

Dear Sir:

This is a Reply Brief submitted pursuant to 37 C.F.R. § 1.193 in response to the Examiner's Answer mailed February 23, 2004 ("Examiner's Answer").

Claims 1-21 are pending in the application and claims 1-21 are the subject of this Appeal. The present application was filed on February 14, 2000 with originally-filed claims 1-21. In response to the Office Action dated March 26, 2003, Appellants submitted an Amendment and Response to Office Action dated June 26, 2003 (hereinafter the "June 26 Response"), in which claim 1 was amended for the sole purpose of correcting a typographical error. In response to the

Final Rejection dated July 10, 2003, Appellants submitted a Notice of Appeal dated October 9, 2003 and a Request for Reconsideration Pursuant to 37 C.F.R. § 1.116 dated October 9, 2003 (hereinafter the "Request for Reconsideration"). Appellants have received no response to the Request for Reconsideration. No claims have been allowed.

Claims 1-7 and 10-21 stand rejected under 35 U.S.C. 103(a) as being obvious over U.S. Patent No. 6,014,644 ("Erickson") in view of U.S. Patent No. 5,744,873 ("Berent"); and claims 8-9 were rejected under 35 U.S.C. 103(a) as being obvious over Erickson in view of Berent, and further in view of U.S. Patent No. 6,161,099 ("Harrington"). Appellants timely filed a Notice to Appeal the Examiner's Final Rejection of all claims on October 9, 2003, and thereafter, on December 9, 2003, timely filed a Brief on Appeal ("Appeal Brief").

Among other arguments in the Examiner's Answer, the Examiner stated the following positions:

(1) That it would have been obvious to combine the teachings of the various references cited by the Examiner.

(2) That the references cited by the Examiner need not disclose all of the elements of Appellants' claims in order to reject the claims pursuant to 35 U.S.C 103(a) because the Examiner believes that some of Appellants' claims recite "alternative" limitations.

(3) That aspects of Appellants' claim elements relate to "nonfunctional descriptive material" and are thus not patentable.

ARGUMENT

The Examiner is not correctly stating or applying the legal requirements for a rejection pursuant to 35 U.S.C. 103(a).

A. All Claim Groups are allowable because there is no motivation to combine Erickson and Berent.

The combination of Erickson and Berent was used to reject every pending claim. The Examiner's Answer (page 10) provides no more than the following justification for combining Erickson and Berent to reject Appellants' claims:

> Erickson, Berent et al. and Harrington et al. are each dedicated to the auctions. Specifically, Erickson teaches a system that allows a buyer

> to obtain or distribute any goods and/or service. Therefore, it would have been obvious for one of ordinary skill to look at the teachings of Berent et al. for a method of distributing automobiles. It is not necessary for one of ordinary skill to "teach away" from the disclosure of Erickson in order for one of ordinary skill to apply the Erickson system to a "buyer wishing to buy" cars. [citations omitted]

Appellants respectfully respond that (1) the Examiner continues to whitewash the fact that Erickson and Berent teach two different, incompatible auction systems, and (2) the mere fact that Erickson and Berent *could* be combined, even if it were true, would not in and of itself render the combination of Erickson and Berent obvious. *Ex parte Levengood,* 28 USPQ2d 1300 (Bd. Pat. App. & Inter. 1993).

As Appellants noted in their Appeal Brief (page 8), it is well-settled that a combination of prior art references must be supported by a prior art reference stating the desirability of the combination. *In re Mills,* 916 F.2d 680, 16 USPQ2d 1430 (Fed. Cir. 1990); *In re Linter,* 458 F.2d 1013, 173 USPQ 560, 562 (CCPA 1972); MPEP § 2143. Here, the Examiner has done no more than proffer that the cited references teach the same general sort of system. The Examiner's reasoning is analogous to stating that because a tri-cycle and a rocket ship both provide transportation, it would be obvious to put pedals on a rocket ship, without providing a reference that explains why it would be desirable to put pedals on the rocket ship. Here, the Examiner has provided no explanation as to why one of ordinary skill in the art would have wanted to modify steps required by Erickson's reverse auction system with Berent, a straight-forward auction system. *See* Appeal Brief at 8-9. Indeed, as Appellants have previously argued in detail, *id.,* Berent and Erickson teach structurally different systems that, as taught, could not be combined without modifications to Erickson's system that would render Erickson's system inoperable.

In sum, the Examiner's Answer (1) continues to fail to point to any motivation in the prior art to combine Erickson and Berent and (2) fails to address the structural differences between the systems of Erickson and Berent, and thus wholly fails to rebut Appellants' argument that such structural differences prevent the combination of Erickson and Berent. Accordingly, all claim groups are allowable.

B. All Claim Groups are allowable because Erickson does not teach the "second user" recited in independent claims 1, 14, and 18.

Claims 1 and 14 each recite "a bid module configured to allow said second user to select said one of said identified assets for placement of a bid thereon ." Similarly, claim 18 recites "providing rental options to the second user based on the bid definition ." The Examiner incorrectly contends, Examiner's Answer, pages 9-10, that Erickson reads on Appellants' claim limitations related to "second user" because Appellants' claims allegedly have not "identified and specified the actions of the buyer and seller". *See also* Examiner's Answer at 12-13. Moreover, the Examiner defies both logic and the teachings of Erickson by using *both* the buyer and the supplier taught by Erickson, *i.e.,* a first *and* a second user, in an attempt to meet all the limitations associated with Appellants' recitation of a "second user." Erickson simply does not teach or suggest a single user, whether it be a buyer or a supplier, fulfilling all the functions of the recited "second user."

Contrary to the Examiner's contention, the claims are clear as to the roles of the recited first user and the recited second user. Representative claim 1 recites both a first user and a second user as follows:

> *1. An electronic system for facilitating transactions comprising:*
> *an asset configuration unit responsive to input data provided by a **first user** for generating a profile of an asset, said profile comprising asset specification data and a bid definition defining parameters associated with one of a purchase, rental and lease transaction of said asset;*
> *a market database for storing a plurality of said asset profiles;*
> *a market search module configured to search said market database based on search parameters specified by a second user and generate an identification of assets according to said search parameters, said market search module being configured to display to said second user a portion of said asset specification data for at least one of said identified assets;*
> *a bid module configured to allow said **second user** to select said one of said identified assets for placement of a bid thereon, said bid module being further configured to provide at least one of purchase, rental and lease transaction options to said second user in accordance with said bid definition; and*
> *a communications interface for facilitating electronic remote access of said system by said first and second user.*

The "first user" recited in claim 1 inputs data regarding an asset that can be bid upon, and therefore clearly is a supplier, or seller, of the asset. The "second user" selects an asset "for placement of a bid thereon", and therefore clearly is a buyer, or purchaser. It is simply nonsensical to assert that Appellants' claims have not "identified and specified the actions of the buyer and seller".

Further, the statement that "in the Examiner's appliance of the Erickson reference the first user is the 'buyer' and the second user is the at least one seller that responds to the buyer's 'request for bids'" clearly demonstrates Appellants' argument, *see* Appeal Brief at 9-10, that at a minimum the teachings of Erickson are backwards with respect to Appellants' claims. More importantly, the Examiner's Answer wholly ignores the fact, that, as Appellants' have pointed out, *id.* at 10, the Examiner has used *both* users taught by Erickson to reject each of the elements of Appellants' claims respectively reciting a "first user" and a "second user". Erickson does not even teach the reverse of Appellants' claim limitations because no single user taught by Erickson reads on any one of Appellants' claim limitations.

Thus, for this second independent reason, claims 1, 14, and 18, and all claims depending therefrom (all claim groups) are allowable.

C. The cited art fails to disclose all of the limitations of Claim Group A because it does not disclose the "bid definition" recited in claims 1, 14, and 18..

Claim 1 recites "a bid definition defining parameters associated with one of a purchase, rental and lease transaction of said asset." Similarly, claims 14 and 18 recite "a bid definition defining parameters associated with a rental transaction contemplated for said asset". The Examiner makes a new argument, not found in the Final Office Action, that Erickson teaches the recited "bid definition". *E.g.,* Examiner's Answer at 13. However, Erickson does not teach the "bid definition" recited in any of claims 1, 14, and 18. Moreover, the Examiner has failed to state a *prima facie* case of obviousness with respect to the recited "bid definition.".

The Examiner protests that Appellants "attempt[] to distort the record", Examiner's Answer at 13, when Appellants note the Examiner's evident concession that Erickson does not teach a "bid definition defining parameters associated with one of a purchase, rental and lease transaction of said asset". *See* Appeal Brief at 11. However, the Examiner's present assertion that "this is a feature taught by Erickson", Examiner's Answer at 13, plainly contradicts the Final Office Action (Paper No. 10), which nowhere mentions a "bid definition," but does state on page

6 that "[r]egarding lease, rent or purchase data, it would have been obvious to one of ordinary skill to use the Erickson system to bid on contracts for the lease, rent, or purchase of supplies using the data message feature or central database [citations omitted] as these are well known methods for obtaining goods and services." Thus, Appellants were well-justified to take the position that the Examiner conceded Erickson's failure to teach the recited bid definition and that the claim limitation reciting a bid definition had been rejected as obvious over, rather than anticipated by, Erickson.

Further, Erickson clearly does not teach the recited bid definition. The Examiner's Answer (pages 13-14) contends that Erickson teaches a bid definition because Erickson's buyer enters information into a central database that can be searched by sellers. Not only is this a new argument but, as noted above, claim 1 specifies a first user providing information for the bid definition, and moreover claim 1 makes clear that the first user is a *seller,* not a buyer. It is simply nonsensical to assert that information supplied by a *buyer* comprises a bid definition regarding a *specific* asset as is recited in claim 1 inasmuch as a buyer simply would not have the information about the specific asset required to create such a bid definition. Further, as discussed above, the Examiner has at no point stated any reason to modify Erickson's reverse auction system to meet the elements of the recited straight-forward auction system.

The Examiner's Answer also presents the new argument (page 14) that (1) Erickson's "data cast message may contain **any** type of information that a supplier would need in order to respond to a 'request for a bid'"; (2) "'renting', 'leasing', and 'purchasing' clearly fall under the category of 'any type of information"; (3) therefore "the Erickson teaching is elastic enough to encompass such transactions." Clearly the Examiner's reasoning is wholly untenable; the Examiner is essentially arguing that any claim limitation that a reference might be modified to include is obvious over the reference, which is clearly absurd and contrary to the law. Accepting the Examiner's first statement at face value, many types of communication in addition to Erickson's data cast message could contain "information that a supplier would need in order to respond to a 'request for a bid'", but this fact would not make those types of communication read on the recited bid definition.

Moreover, Erickson does not teach or suggest a bid definition, much less a "bid definition defining parameters associated with one of a purchase, rental and lease transaction of said asset",

because, as noted above, Erickson does not even teach a system in which bids, i.e., offers to purchase in response to offers to sell, are made. Further, Erickson certainly does not teach a system in which bids are defined for specific assets, as is recited in claim 1.

Accordingly, the Examiner has failed to state the requisite *prima facie* case of obviousness with respect to a "bid definition defining parameters associated with one of a purchase, rental and lease transaction of said asset", and Claim Group A (claim 1) is allowable for this independent reason alone, as are claims 2-7 and 10-13, depending from claim 1.

D. The cited references fail to disclose all of the limitations of Claim Group B because it does not disclose "maintenance history data" as claimed by Appellants.

Claims 2 and 14 include "maintenance history data" as part of the "asset specification data." Method claim 18 includes the steps of "generating asset specification data associated with an asset including maintenance history data" and "searching the market database based on search parameters specified by a second user and displaying to the second user at least a portion of the asset specification data that includes the maintenance history data." The Examiner's Answer (page 16) asserts that "[t]he maintenance data is not used or transformed by the process, hence it is also non-functional." Significantly, the Examiner ignores *In re Gulack,* 703 F.2d 1381, 1382, 217 USPQ 401 (Fed. Cir. 1983) and *In re Lowry,* 32 F.2d 1579, 1580, 32 USPQ,2d 1031 (Fed Cir. 1994), *see* Appeal Brief at 13, and misunderstands what is a non-functional claim limitation. In fact, as Appellants argued previously, Appeal Brief at 14-15, the claimed system would present a different functionality and offer different advantages if it used a different kind of data. Significantly, the Examiner did not respond to this argument. Clearly, the type of information being processed by the Appellants' claims – *e.g.,* maintenance history data – is not ancillary to the functioning of the Appellants' inventive system. On the contrary, it is critical to understanding and describing the transformation of information.

Further, the Examiner repeats previous assertions that Berent teaches maintenance history data by disclosing descriptive information, VIN [vehicle identification number], condition and grade information. Examiner's Answer at 16. It may be, as the Examiner argues, *id.,* that a car's make, model, grade, and condition are relevant to maintaining a car. Nonetheless, such information is clearly not maintenance history data because it plainly says nothing about what prior repairs or service have been performed on the car. Indeed, the Examiner did not respond to

Appellants' argument that "it is inconsistent and untenable to characterize information pertaining to the present state of a vehicle as historical data." Appeal Brief at 15.

Accordingly, Claim Group B (claims 2, 14, and 18) is in condition for allowance. Claims 3-7, 10-13, 15-17, and 19-21 are in condition for allowance as claims dependent from claims 2, 14, and 18.

E. The cited prior art does not disclose all of the limitations of Claim Group C because it does not disclose "classes of users".

Claim 4 recites "a bidder classification parameter defining classes of users allowed to place a bid on said asset." The Examiner again argues that Erickson's assembling a group of suppliers is equivalent to "defining classes of users allowed to place a bid on said asset." Examiner's Answer at 17. However, Erickson's teaching is clearly very different from, and much more general than, claim 4. Simply because Erickson may teach a database that uses classifications, or because Erickson teaches subsets of suppliers, does not mean that Erickson comes even close to teaching the recited bidder classification parameter.

Further, the Examiner's Answer repeats the irrelevant assertion that Berent anticipates claim 4 because Berent requires "prospective bidders to enter a username and password" and teaches assigning network privileges. *Id.* Not only does the Examiner nowhere provide support for any motivation to follow Berent's teachings, but, as previously argued, Appeal Brief at 16, Berent's disclosure of user privileges specific to individual users does not teach "defining classes of users".

The Examiner's Answer, apparently attempting to support the Examiner's earlier contention that "defining classes of users" was equivalent to naming classes of data wherein the name was simply a matter of design choice, *see* Final Office Action (Paper No. 10) at 3-4, argues that "naming" and "'defining' . . . are synonymous." Examiner's Answer at 18. Regardless of the definitions of those two words, Appellants maintain their argument, Appeal Brief at 16, that defining classes of *users* is not a matter of design choice but is actually a structural limitation of the system inasmuch as it affects how the system works. For example, if the claim recited defining classes of assets, then clearly the system would be configured to offer different functionality.

Thus, in addition to being patentable by reason of dependence from other patentable claims, Claim Group C (claim 4) is also in condition for allowance for at least the above reasons. Claims 5-9 depend from claim 4 and are allowable for this reason alone.

F. The cited prior art does not disclose all of the limitations of Claim Group D because it does not disclose "transaction characteristic data".

Claim 8 recites that "transaction characteristic data for a rental transaction comprises a list price for a predetermined period of time, and a minimum price that said second user must submit to define a valid bid." Claim 9 recites that "transaction characteristic data for a lease transaction comprises a periodic lease amount and a lease term."

With respect to claim 8, The Examiner's Answer simply does not address whether Harrington teaches that "transaction characteristic data for a rental transaction comprises a list price for a predetermined period of time." Further, whether or not Harrrington teaches a "minimum price" within the meaning of claim 8, Harrington plainly does not teach "a minimum price that said second user must submit to define a valid bid."

Probably because Harrington does teach the above-mentioned limitation of claim 8, the Examiner resorts to making the new argument that the term "valid" is not adequately defined in the claim. Examiner's Answer at 19. However, claim 8 does not stand rejected under 35 U.S.C. § 112. And in fact, Appellants' Specification does clearly explain the use of the term "valid":

> For each transaction type available to a user class, respective transaction characteristic data is obtained from the first user. For example, the transaction characteristic data for a sales transaction includes a list sales price, such as shown in column 214, and a minimum sales price that a second user (e.g., another dealer) must submit to define a valid bid, such as shown in column 212. The transaction characteristic data for a rental transaction includes a list rental price for a predetermined period of time (e.g., a month), and a minimum rental price for that predetermined period of time that the second user must submit in order to define a valid bid. (Page 28, line 29 – page 29, line 5.)

That is, a "valid" bid is clearly limited to a bid comprising a minimum price for which the asset will be sold or rented. In this context, Harrington plainly does not anticipate claim 8. Moreover, the Examiner's suggestion, Examiner's Answer at 19, that Erickson somehow teaches transaction characteristic data comprising a minimum rental price because "a buyer reviewing

supplier responses" would have "a particular price in mind" is a new argument for which the Examiner finds no support in the prior art of record.

Next, the Examiner argues that "Claim 1 is recited in the alternative. In other words it can be a purchase, rental, or lease." *Id.* The Examiner apparently intended to suggest that, if claim 1 is anticipated with respect to purchase transactions, the Examiner need not consider claims 8 and 9, which recite "transaction characteristic data" for rental and lease transactions respectively. *See id.* However, Appellants know of no authority that would relieve the Examiner of the burden of considering all dependent claims. Moreover, even if the Examiner properly characterized claim 1, claims 8 and 9 clearly represent embodiments of the claimed invention that definitely utilize transaction data for at least rental and lease transactions respectively. The Examiner was obligated to consider claims 8 and 9 even if he felt Claim 1 was not patentable. Since no independent basis for rejecting claims 8 and 9 has been given by the Examiner, they are clearly patentable even if claim 1 is not.

Further, the Examiner wholly fails to respond to Appellants' argument, Appeal Brief at 18, that there is no motivation to combine Erickson, Berent, and Harrington. Thus, this is another independent reason why claims 8 and 9 are allowable.

For at least the forgoing reasons, Claim Group D (Claims 8-9) are allowable.

G. The cited prior art does not disclose all of the limitations of Claim Group E because it does not disclose a "dealer class" and a "member class."

The Examiner's Answer fails to address Appellants' arguments regarding a *prima facie* case of obviousness against the claim limitations of claim 5, which include a "dealer class" and a "member class." *See id.* As argued in the Appeal Brief (page 18) these limitations are not mere design choices because "user classes include[ing] a dealer class and a member class" impose a structural limitation on the claimed system and moreover are not shown in the prior art of record, *id.* Therefore, claim Group E (claim 5) is clearly allowable.

H. The cited prior art does not disclose all of the limitations of Claim Group F because it does not disclose "registering" users as "dealers."

The Examiner argues that Erickson anticipates claim 19 and 20, which recite registering users as dealers, because Erickson "teaches suppliers identifying themselves in a supplier profile stored in the central database." Examiner's Answer at 20. The Examiner also contends, for the first time, that because Erickson teaches classifications, and "'dealer' and 'member' are

classifications," therefore "these features are at least suggested by Erickson." Appellants respectfully submit that the fact that even if Erickson teaches classifying things in general Erickson nowhere teaches or suggests classifying users as dealers. Moreover, Appellants dispute that Erickson's storage of profile information is a registration process, but even if it was, that process would not comprise registering users as dealers. *See* Appeal Brief at 19. The Examiner's specious reasoning – that Erickson suggests registering users as dealer because Erickson does not teach that users cannot be registered as dealers – must be discounted.

Accordingly, Claim Group F (claims 19-20) is in condition for allowance.

CONCLUSION

Appellants respectfully submit that all of the appealed claims in this application are patentable for at least the reasons stated above and request that the Board of Patent Appeals and Interferences overrule the Examiner and direct allowance of the rejected claims.

This brief is submitted in triplicate. It is believed that no fees are due with respect to this paper. However, if any fees are found to be required in connection with the filing of this paper, permission is given to charge account number 18-0013 in the name of Rader, Fishman and Grauer PLLC.

Respectfully submitted,

Date: April 23, 2004

By: _____

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